

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's Own Motion to Assess and Revise the New Regulatory Framework for Pacific Bell and Verizon California Incorporated.

Rulemaking 01-09-001  
(Filed September 6, 2001)

Order Instituting Investigation on the Commission's Own Motion to Assess and Revise the New Regulatory Framework for Pacific Bell and Verizon California Incorporated.

Investigation 01-09-002  
(Filed September 6, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING  
DENYING THE MOTION FILED BY VERIZON CALIFORNIA INC.,  
TO DEFER THE AWARD OF A CONTRACT TO AUDIT VERIZON**

On February 8, 2005, Verizon California Inc. (Verizon), filed a motion for a ruling by the Presiding Officer<sup>1</sup> to defer the award of a contract by the Office of Ratepayer Advocates (ORA) for a regulatory audit of Verizon. Verizon seeks to postpone ORA's award of the contract until after the Commission has ruled on Verizon's petition to modify Decision 02-10-020 in a way that would have

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<sup>1</sup> This is a ratesetting proceeding. Rule 5.(k)(2) defines "presiding officer" for a ratesetting proceeding as the "principal hearing officer designated as such by the assigned Commissioner prior to the first hearing in the proceeding...." The assigned Administrative Law Judge (ALJ) was designated as the principal hearing officer in this proceeding in a ruling issued on December 27, 2001, by the then-Assigned Commissioner. The definition of "presiding officer" set forth in Rule 5(k)(2) is consistent with Rule 62, which states that "[w]hen evidence is to be taken in a proceeding...one or more of the Commissioners, or an Administrative Law Judge, may preside at the hearing."

substantial implications for the scope of the audit that would be performed pursuant to the contract. ORA and The Utility Reform Network filed a response on February 22, 2005, in which they opposed Verizon's motion. With permission from the assigned ALJ, Verizon filed a reply on March 3, 2005.

Verizon's motion is denied because it is unnecessary to stay the audit at this time. In response to an inquiry from the assigned Administrative Law Judge (ALJ), ORA informed the ALJ that its audit contract allows some flexibility in restructuring of the scope and schedule of the audit, if necessary, in response to a Commission decision on Verizon's petition. It is likely that a proposed decision resolving Verizon's petition, as well as a related petition to modify D.02-10-020 that was jointly filed by ORA and TURN, will come before the Commission at its meeting on June 16 or June 30, 2005. ORA is reminded that the Commission may substantially revise the scope of the audit in response to these petitions. ORA should plan and conduct its audit accordingly.

Therefore, **IT IS RULED** that the motion filed by Verizon California Inc. for a ruling by the Presiding Officer to defer an award by the Office of Ratepayer Advocates of a contract for a regulatory audit or Verizon is denied.

Dated April 29, 2005, at San Francisco, California.

/s/ TIMOTHY KENNEY

Timothy Kenney  
Administrative Law Judge

## **CERTIFICATE OF SERVICE**

I certify that I have by mail, and by electronic mail, to the parties for whom an electronic mail address has been provided, this day served a true copy of the original attached *Administrative Law Judge's Ruling Denying the Motion Filed by Verizon California Inc., to Defer the Award of a Contract to Audit Verizon* on all parties of record in this proceeding or their attorneys of record.

Dated April 29, 2005, at San Francisco, California.

/s/ TERESITA C. GALLARDO

Teresita C. Gallardo

## **N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.